

**BEFORE THE PUBLIC UTILITIES COMMISSION  
OF THE STATE OF CALIFORNIA**

Order Instituting Rulemaking to Consider	)	
Electric Procurement Policy Refinements	)	Rulemaking 14-02-001
Pursuant to the Joint Reliability Plan.	)	(Filed February 5, 2014)
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**INFORMAL COMMENTS OF SAN DIEGO GAS & ELECTRIC COMPANY  
(U 902 E) ON STAFF CONCEPT PAPER AND WORKSHOP**

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In accordance with the Rules of Practice and Procedure of the California Public Utilities Commission (the “Commission”), and the direction provided by staff of the Commission’s Energy Division (“Staff”). San Diego Gas & Electric Company (“SDG&E”) submits these informal comments on Energy Division Staff’s Joint Reliability Plan (“JRP”) Phase 2 concept paper and the April 9, Joint Reliability Plan Track 2 workshop on the Unified Long Term Reliability Planning Assessment Tool.

Energy Division Staff proposes to develop a 2-step approach to address the issue of unplanned resource retirement. First, it proposes development of a Forward Needs and Supply Database to capture supply positions looking forward by year ten years. Second, it proposes development of a stochastic model in order to identify which resource may seek to retire early, referred to as the Economic Risk of Retirement Model (“ERORM”).

***Forward Needs and Supply Database and Proposed Data Request Template***

With regard to the data request (“DR”) template, SDG&E recommends deletion of the following columns:

Column Name	Rationale Supporting Recommendation
LSE Name	The DR requests information from specific LSEs, the LSE Name is therefore redundant. Contract ID is not used or defined in every contract or transaction. While the combination of the LSE Name/Resource ID/Contract ID can be used to make up a single line,
Contract ID	

	it may be easier for the database to create this primary key on its own since this level of granular data cannot be shared with other stakeholders.
Technology	This information may not all be known to the contracting LSE.
Tech Other	
CHP	
OTC	
QF	
RPS	
Name Plate (MW)	

The four separate products of each resource should be removed from the DR; the DR should instead request the Contract MW, Start and End date. Given that Net Qualifying Capacity (“NQC”) and Effective Flexible Capacity (“EFC”) are only available for the following compliance year at most, the data for the forward years may simply replicate the current year in the DR responses.

The proposed DR also seeks information regarding the contract type. However, since the issue which led to initiation of the JRP is lack of capacity contract and not energy, the data request should focus solely on capacity contracts.

SDG&E does not object to creation of a database to track the information proposed in the Forward Needs and Supply Database. This is particularly useful if future early retirements arise; the Commission can utilize the information in the database to make an informed decision. Staff should review the data received in the annual RA data request for the annual RA report. This dataset is very comprehensive for the residual transactions outside of the LTPP process. The LTPP database also has information regarding old and new generation owned and contracted by the IOUs. These two datasets can be merged for the database.

### ***Economic Risk of Retirement Model***

At the workshop, Staff indicated that Step 2 had not been scoped by the Commission and that Staff was interested in receiving stakeholder input as to how the Commission should move forward procedurally to consider whether the Commission should develop the proposed ERORM and, if so, how it should be designed.

SDG&E submits that the proposed stochastic approach is too complex to be implemented at this time. SDG&E supports the view shared during the workshop that a simpler approach should be taken for a first-time effort. The Utility Reform Network (“TURN”) and Pacific Gas and Electric Company (“PG&E”) both suggested using a simple checklist model. If the model finds a large number of megawatts necessary to maintain system reliability that is currently not contracted, then staff and stakeholders can recommend to the Commission to continue this exercise with more precision.

### ***Confidentiality***

SDG&E recommends the data should kept confidential utilizing the same standard for the JRP Track 1. Disclosure of detailed information could compromise an LSE’s portfolio position.

### ***Appropriate Proceeding***

SDG&E recommends that this analysis and database to be a derivative of the LTPP proceeding. The database information can be updated when LTPP information is updated.

### ***Next Steps***

SDG&E requests that staff publish a revised proposal once all informal comments are received in order to update all stakeholders with next steps. Another workshop may

be necessary in order to discuss the revised proposal and the process for Phase 2 of the JRP. SDG&E proposes further that Staff compile and distribute all informal comments to the service list, but submits that it is not necessary to post them to the Commission's website or enter them into the record of the proceeding.

Dated this 23<sup>rd</sup> day of April, 2015 in San Diego, California.

Respectfully submitted,

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